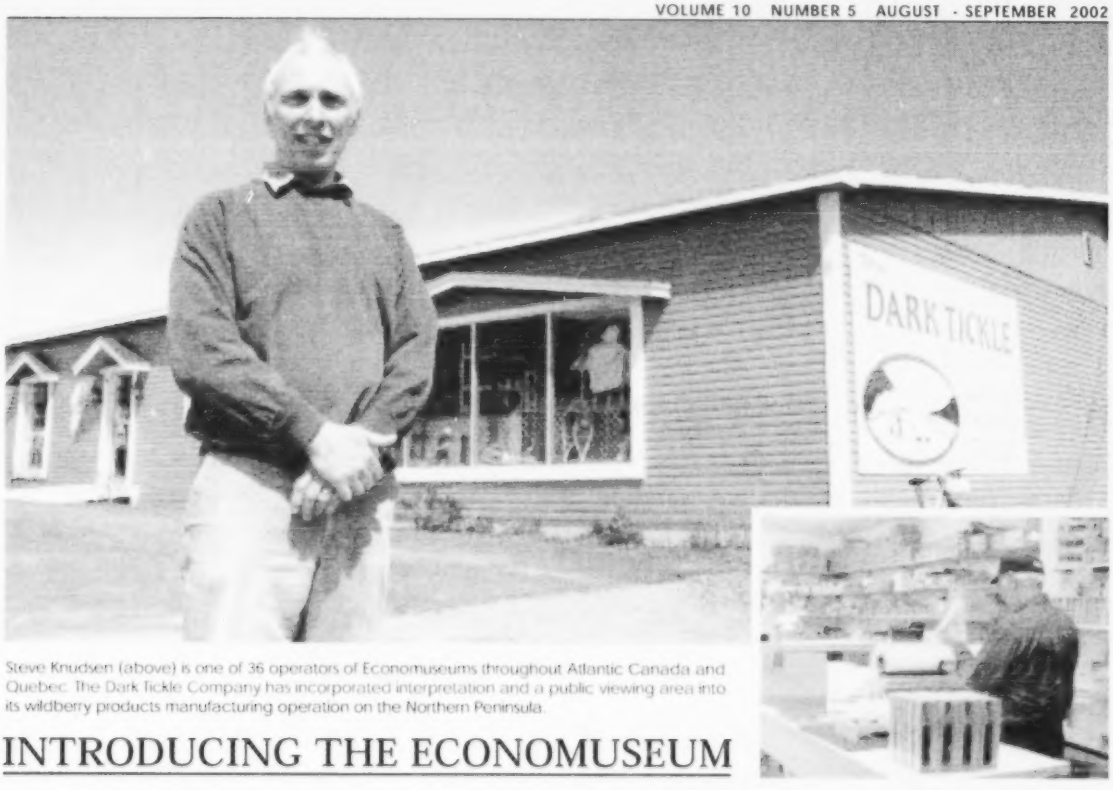
THE AMBASSADOR
Newfoundland & Labrador
VOLUME 10 NUMBER 5 AUGUST - SEPTEMBER 2002



Steve Knudsen (above) is one of 36 operators of Economuseums throughout Atlantic Canada and Quebec. The Dark Tickle Company has incorporated interpretation and a public viewing area into its wildberry products manufacturing operation on the Northern Peninsula.

INTRODUCING THE ECONOMUSEUM

Steve and Gwen Knudsen conceived the idea several years ago. To operate a manufacturing business, coupled with an opportunity for those who use the final product to see it being made. It would be the same idea, repackaged and reintroduced to the Knudsens years later, that saw their Dark Tickle Economuseum become a reality.

In 1973, the Knudsens returned to Newfoundland to help run the family fishing business. As fish brokers in the St. Lunaire-Griquet area, the business also had a general store that had serviced the local fisherpeople and area residents since 1929.

"When we had the general store we put in a small gift store at one end," Gwen said, because the area was attracting tourists with the discovery of the Viking settlement at nearby Lanse aux Meadows. "People were looking to buy partridgeberry and bakeapple jam - we looked for a suitable product but couldn't find one," she added.

Wildberries became the main line of business in the early 1990s with the introduction of a manufacturing plant, local interest and a handful of orders for partridgeberry and bakeapple jam.

Dark Tickle Company is part of a craft, gift and apparel industry in Newfoundland and Labrador that employs an estimated 2,000 people and generates approximately $38 million in the provincial economy each year. The Economuseum concept fits nicely into an industry that has tripled in size in the last decade.

The Economuseum concept was born in 1992 in Quebec to promote traditional craft skills using educational tours with museum-like interpretation and, of course, the gift shop. Economuseums help promote the products of local craftspeople while creating employment and reacquainting communities with their heritage, not to mention adding value and increasing demand for the products of existing businesses.

Atlantic Canada's newest Economuseum features Dark Tickle Company jams, sauces, vinegars and drinks made from wildberries familiar to most Newfoundland and Labrador kitchens. The Knudsens use partridgeberries, wild blueberries, bakeapples, crowberries, and squashberries to produce close to 100 different products.

The Dark Tickle factory will be one of two in the province. A second Economuseum is opening in nearby Shoal Cove East and will showcase the tanning and manufacture of sealskin products by GNP Craft Producers. •

www.darktickle.com

Highlights

Project Development

Construction of the mine and mill/concentrator at Voisey's Bay ***($710 million, 550 jobs)***

Hydromet demonstration plant ***($85 million, 200 jobs)***

Hydromet processing facilities at Argentia ***($800 million, 1,000 jobs)***

Inco Innovation Centre in St. John's ***($10 million)***

Underground exploration at Voisey's Bay ***($95 million, 85 jobs)***

Project Operations

Mine and mill/concentrator at Voisey's Bay ***(400 jobs, increasing to 800 jobs)***

Processing facility at Argentia ***(400 jobs)***

Inco Innovation Centre ***(50-60 students per year)***

Voisey's Bay
Making It Happen

The Government of Newfoundland and Labrador and Inco Ltd. have signed a Statement of Principles to develop the Voisey's Bay mineral deposit in northern Labrador and to establish a processing facility on the island at Argentia, on the province's Avalon Peninsula.

Over the estimated 30-year life of the Voisey's Bay Project, total employment benefits are estimated to be 76,000 direct and indirect person years. Provincial GDP impact over the same period is estimated to be approximately $11 billion.

Inco will construct a mine and mill/concentrator at Voisey's Bay in Labrador and a nickel processing facility at Argentia. The processing facility will be preceded by a hydrometallurgical (hydromet) research and development program that will see the construction of a demonstration plant at Argentia. Inco will also establish an Innovation Centre at the St. John's campus of Memorial University of Newfoundland. Over the life of the project the total capital investment in the province will exceed $2.9 billion.

Once operational, the mine and mill/concentrator at Voisey's Bay will employ 400 and increase to 800 when underground mining commences. The hydromet demonstration plant at Argentia will employ 200 and the commercial hydromet processing plant will subsequently employ 400.

"The Voisey's Bay Project will place Newfoundland and Labrador at the leading edge of research and development and new technologies for processing nickel sulphide concentrates. Commercial development of the hydromet process will position Inco as being one of the most efficient and low cost producers of nickel in the world," said Lloyd Matthews, Minister of Mines and Energy.

An Industrial and Employment Benefits Agreement will be concluded which will capture Inco's commitments to promote employment of the province's labour force, provide local businesses with full and fair opportunity to compete for the supply of goods and services, and will recognize the agreements in place with aboriginal groups.

Where possible Newfoundland and Labrador facilities will be used during the construction, fabrication and assembly stages of the project. Engineering, procurement and project management will take place in the province and have significant participation by provincially-based firms.

An Inco Innovation Centre developed in St. John's will build on existing education and research at Memorial University of Newfoundland in exploration, mining and metallurgical technology.

The air operation and shipping companies will have a base of operations in the province.

Inco has guaranteed that it will commence replacement of the concentrate prior to the cessation of mining operations in Labrador. •

www.gov.nf.ca/voiseys

MINERAL RESOURCES

FOREST PRODUCTS

Adding value to Newfoundland birch

Newfoundland and Labrador's forest industry is more than pulp and paper. In addition to newsprint exports that account for the vast majority of the $675 million industry, there are sawmills and value-added manufacturers that produce some common and not-so-common products for local, national and international markets.

Mike Sinnicks is one such operator who is helping turn Newfoundland birch into high quality finished products at home and abroad.

He knows wood. A logger all his life, Sinnicks is the owner of Sutreen Hardwoods in Hawkes Bay on the province's west coast.

"The Northern Peninsula has some of the best timber that's left in Newfoundland, very high in value," Sinnicks says. He talks about dissecting a birch log like a surgeon - where, how, and why each cut is made to gain maximum use and value from his raw material.

Sinnicks' company uses stands of solid Newfoundland birch to make a number of products - stair treads, cabinet boards, and unfinished hardwood flooring, mostly for the local market. His company is supplying all the cabinet boards to Nu-Way Kitchens of St. John's for 170 homes in Sango Bay in Labrador and exporting kitchen cabinets to the New England states. Perhaps his most unique product are the boards used to manufacture Garrison acoustic guitars in St. John's.

There are a handful of hardwood mills in Newfoundland and Labrador that employ between 150 - 200 people (full-time and seasonal employees). Sinnicks hopes his market research will help him increase employment at his facility.

By retooling and expanding his product line to include pre-finished hardwood flooring, he's hoping to not only produce an import-substitution product but to export some of that new product outside the province. Sinnicks' research has taken him to Nova Scotia - where he says Sutreen can sell up to 95 per cent more product.

Adding that extra value, Sinnicks says, "is something no one is doing in Newfoundland and Labrador." It is also what his customers want. "They're telling me they sell pre-finished product 10 to 1 over unfinished floors."

But to offer pre-finished hardwood floor products means expanding his offices, warehouse, storage space, and production facility to meet the needs of retailers and cabinet makers who are his clients. "We've come a long way in the last few years but we have a long way to go," Sinnicks said.

The goal for Sutreen is to join a growing number of small producers in Newfoundland and Labrador that manufacture lumber products ranging from log homes to mouldings for export to places like the United States, Chile, and Germany. •

EXPORTS

Export Award winners announced

Winners of the 18th Newfoundland and Labrador Export Awards are (l-r) Dave Gill, Chair, Canadian Manufacturers and Exporters, Newfoundland and Labrador Division; Andy Fisher, plant manager, Garrison Guitars (New Exporter Award); Peter Shea, vice-president of client services, xwave (Services Export Award); Gary Pollack, president, Canadian Iceberg Vodka Corporation (Goods Export Award); Minister of Industry, Trade and Rural Development, Kelvin Parsons; Dr. Hilary Rodrigues, president, Rodrigues Winery (Interprovincial Trade Award).

The province's top exporters for 2002 were honoured at the 18th Newfoundland and Labrador Export Awards held in May. The award recipients are:

- *Garrison Guitars; New Exporter Award*
- *Canadian Iceberg Vodka Corporation; Goods Export Award*
- *Rodrigues Winery; Interprovincial Trade Award*
- *xwave; Services Export Award*

"The export awards are a showcase for all exporting companies and highlight the capabilities that continue to fuel economic growth in our province. We recognize companies for their excellence and contribution made to the growing manufacturing and exporting sector. These are four examples of the many companies who are achieving success through exporting," said Dave Gill, Chair of the Canadian Manufacturers and Exporters, Newfoundland and Labrador Division, in presenting the awards.

Garrison Guitars has, in seven months, become one of the largest acoustic guitar manufacturing facilities in Canada. The company's patented Griffiths Active Bracing System has revolutionized the construction of acoustic guitars. Garrison's first year's production is completely pre-sold for distribution worldwide.

Rodrigues Winery is the largest producer of wild berry and fruit wines marketed through provincial liquor boards in Canada. The company's wines are also distributed in Japan and the United States. The vintner is the only kosher-certified winery in Canada. Rodrigues Winery participated in a recent Team Canada Atlantic mission to New York City where it showcased its wines at the Taste of Atlantic Canada Reception.

Canadian Iceberg Vodka Corporation manufactures vodka made from pure iceberg water and exports it to the United States, Europe and Hong Kong. Iceberg Vodka has won several national and international awards. While on the Team Canada Trade Mission to Moscow, the company signed a memorandum of understanding with a Russian company for distribution of its unique vodka in Russia.

Xwave is one of Canada's largest and fastest growing IT companies, with more than 2,800 professionals in locations across North America and Europe. Xwave provides expertise in the development, operation and management of IT systems for both public and private sector organizations in Ireland and the United States.

The Export Awards are a joint initiative of the Department of Industry, Trade and Rural Development and the Canadian Manufacturers and Exporters, Newfoundland and Labrador Division. •

EDUCATION

A Canadian education with a Newfoundland welcome

The business of education is the focus of a western Newfoundland group that believes Corner Brook and the Humber Valley region is ready to open up to a different kind of investment – international students.

With the number of international students worldwide set to double in the next decade, the Humber Education Alliance (HEA) is hoping to attract some of these students and some of the $3.5 billion they spend in Canada each year.

This strategic opportunity was identified by the Humber Economic Development Board (HEDB), the economic development board for the region. HEDB brought together public and private stakeholders in the education sector in the area and the HEA was born.

"For a city of 25,000, Corner Brook has a phenomenal education infrastructure," said Peter McBreairty, HEA chairperson, making an enticing argument for Corner Brook as an attractive package to students seeking a quality education abroad.

He cites a university, an expanding public college, and a private college along with a major sports infrastructure, skiing, and wilderness areas as key selling points for the region, noting that the number of educational opportunities in a city the size the Corner Brook area is somewhat unique.

Education from a distance. Peter McBreairty (left), Leanne McCarthy, and Dave Quick of the Humber Education Alliance hope to turn Corner Brook into a sought after education destination.

The concept of developing "educational product" in the Humber Valley region was identified by proponents as early as 1997, but the HEA's focus comes from a study released in June 2001 that identified secondary, post-secondary, and English as a second language (ESL) programs for students in markets from New England to Mexico and South Korea as the likely candidates for success.

The combination of rich cultural attractions, infrastructure, catering to diverse student requirements, and delivering quality programs are all key ingredients to the success of the program. Developing the "product" is what HEA members are hoping will create word-of-mouth advertising and help make Western Newfoundland a valued name in the international education market. "We want to provide a first-class experience for these students because we know that when they go back home and say 'what a great place, what a great education', it will be easier when we go to those towns and ask to talk to their high school students," McBreairty said.

The Humber Education Alliance Inc. is a not-for-profit organization that promotes international education not only as an economic stimulus for the regional economy, but as a way to enrich the educational experience for local students as well.

David Quick, representing K-12 School District Three on the HEA board, says offering programs like ESL "sends a message to our students that in a world of multiculturalism – there's a world beyond – it brings into our school system different cultural experiences, different ideas and understanding." Income generated from educating international secondary students means the possibility of expanding programs in the K-12 system as well, he added.

The Alliance's goal is to start with a group of about 22 students, with a view to attracting more students in each succeeding year of the program. The economic impact on the region is expected to grow year-to-year to over $1.5 million by 2007. Their first stop, Mexico, to attract high-school students who wish to begin studies in Corner Brook in 2003.

www.cornerbrook.com

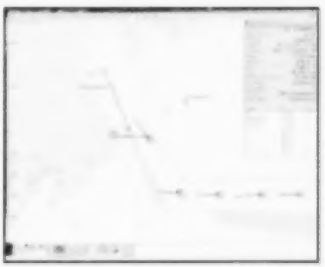
DID YOU KNOW?

The **Newman Wine Vaults Provincial Historic Site** is now open to the public. The Province of Newfoundland and Labrador designated the Wine Vaults as a provincial historic site in 1974. Newman and Company, which was based in Devon County, England, was first granted fishing rights in Newfoundland in 1601. The Wine Vaults, which are the only vaults of their kind in the province, were long used to mature Newman's Port, a product that has become an icon and a tradition in Newfoundland and Labrador.

In celebration of Canada's 135th birthday on July 1st, the **Nature Conservancy of Canada**, together with the **Newfoundland and Labrador Department of Tourism, Culture and Recreation** and the **Town of Raleigh**, has presented the Burnt Cape Ecological Reserve as a Gift to Canadians. Located on the tip of the Great Northern Peninsula, Burnt Cape's unique combination of harsh climate, geology and remote location make it the most important botanical site on insular Newfoundland, home to some of the rarest plant species in the world, including the Burnt Cape Cinquefoil, found only at this one location.

OCEAN TECHNOLOGY

ICAN delivers marine traffic solutions



The St. Lawrence Seaway is getting a technology upgrade, and a Newfoundland and Labrador marine technology company is supplying the components. International Communications and Navigation (ICAN) have signed a deal to deliver 10 Automatic Identification System (AIS) Base Stations for coverage for the St. Lawrence Seaway.

When implemented this summer, the St. Lawrence Seaway's AIS system will create a vessel traffic management system that will identify and track all commercial shipping on the waterway. "Using AIS technology, the network will also enable automatic dissemination of meteorological data and waterway status information to transiting vessels, allowing for more efficient movement throughout the seaway system," said ICAN president Neil Chaulk.

ICAN designs and integrates sophisticated navigation and communications software and electronic navigational chart systems. "The Seaway project affirms the value of AIS and is a vote of confidence in ICAN as one of the world's leaders in this new technology," said Chaulk, a veteran engineer who left the Canadian Coast Guard to start ICAN in 1996. He was also part of the team responsible for designing and implementing Canada's Differential Global Positioning System (DGPS) service.

The deal is another boost for the Newfoundland and Labrador marine technology sector whose fortunes have been rising in recent years.

Throughout our history, and our close relationship with the North Atlantic Ocean, we have evolved to become a world leader in marine technology. Working as individuals or with international partners we have developed expertise in ocean engineering, marine communications, navigational systems, and ice management.

ICAN has carved a niche in a marine technology sector in Newfoundland and Labrador that typically consists of suppliers of high-value/low volume custom-engineered solutions for use on, in and beneath our oceans.

Close to 50 marine technology companies in this province do research, develop products and market them all over the globe. The ICAN product line includes the Regulus and Aldebaran families of electronic chart system software products for professional mariners.

www.ican.nf.net

TRADE SHOWS, TRADE MISSONS, & EVENTS 2002

EVENT	LOCATION	DATE	CONTACT	TELEPHONE
August				
CGTA Fall Gift Show	Toronto, ON	August 11-15	Margie Slaney	729-7030
By Hand Show	Toronto, ON	TBA	Margie Slaney	729-7030
Offshore Northern Seas	Stavanger, Norway	August 27-30	Clyde Woodward	729-5681
September				
Nova Scotia International Air Show & Exhibition 2002	Shearwater, NS	Sept. 5-8	Eugene Trickett Sharon Beattie	729-3050
Softworld 2002	Charlottetown, PE	Sept 8-11	Robert Parsons	729-0598
AIAC (Aerospace Industry Association of Canada) Annual General Meeting	Ottawa, ON	Sept. 22-23	Eugene Trickett	729-2367
Geomatics Atlantic	St. John's, NF	Sept. 26-27	Darrell O'Neill	729-0680
October				
Fish Expo and Workboat Atlantic	Providence, RI	Oct 3-5	Paul Alexander	729-6623
New England Trade Mission	Boston, MA	TBA	Barry Snow Diane Hooper	729-3356
November				
Team Canada Atlantic	New York City, NY	TBA	Jonathan Brockway	729-5680
IDRC/CoreNet	San Diego, CA	Nov. 16-20	Maria Yablon	729-4936
December				
International Workboat Show	New Orleans, LA	Dec. 4-6	Darrell O'Neill Terry Cousin	729-0680

HELP SPREAD THE MESSAGE!

Thank you for reading this edition of The Ambassador newsletter. We are always looking for ways to reach as many people as possible with the good news about business in Newfoundland and Labrador. If this copy of The Ambassador was mailed to you, pass it along, or request extra copies so you can help spread the news. If you're reading someone else's copy of the newsletter, contact us and we will put you on our mailing list. Our contact information is below.

Newfoundland & Labrador Canada
Department of Industry, Trade and Rural Development

This newsletter is the flagship of The Ambassador Newfoundland and Labrador Program (ANLP). ANLP is funded through the federal/provincial Canada-Newfoundland Comprehensive Economic Development Agreement. ANLP is managed and delivered by the Department of Industry, Trade and Rural Development. Honourable Kelvin Parsons, Minister (Acting).

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